APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/702,088	11/05/2003	Robert P. Madill JR.	5053-64000	8024

35690   7590   01/26/2009
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ART UNIT	PAPER NUMBER
3626	

MAIL DATE	DELIVERY MODE
01/26/2009	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

PTOL-90A (Rev. 04/07)

	Application No.	Applicant(s)
Office Action Summary	10/702,088	MADILL ET AL.
	Examiner	Art Unit	
	KRISTINE K. RAPILLO	3626	

-- *The MAILING DATE of this communication appears on the cover sheet with the correspondence address* --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>01 December 2008</u>.

2a) ☐ This action is **FINAL.**   2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) <u>1,4-6,9-14,16-21,24-37,39-42,45-65 and 158-165</u> is/are pending in the application.

   4a) Of the above claim(s) <u>2-3, 7-8, 15, 22-23, 38, 43-44, 66-157</u> is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) <u>1,4-6,9-14,16-21,24-37,39-42,45-65 and 158-165</u> is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☒ The drawing(s) filed on <u>05 November 2003</u> is/are: a)☒ accepted or b)☐ objected to by the Examiner.

   Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

   Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

   a)☐ All   b)☐ Some *   c)☐ None of:

   1. ☐ Certified copies of the priority documents have been received.

   2. ☐ Certified copies of the priority documents have been received in Application No. _____.

   3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

   * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☒ Information Disclosure Statement(s) (PTO/SB/08)
   Paper No(s)/Mail Date <u>12/7/2007; 6/6/2008</u>.

4) ☐ Interview Summary (PTO-413)
   Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

Notice to Applicant

1.   This communication is in response to a Request for Continued Examination submitted December 1, 2008. Claims 1, 42, 48, 54, 62, 64, 158, 163, and 164 are amended. Claims 2—3, 7 – 8, 15, 22 – 23, 38, 43 – 44, and 66 – 157 were previously cancelled. Claim 165 is new. Claims 1, 4 – 6, 9 – 14, 16 – 21, 24 – 37, 39 – 42, 45 - 65, and 158 - 165 are presented for examination.

Continued Examination Under 37 CFR 1.114

2.   A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on December 1, 2008 has been entered.

Claim Objections

3.   Claims 1, 48, 54, 62, and 64 are objected to because of the following informalities: It appears that a term is missing from the limitation "associating a loss type value with each of at two." The limitation is unclear as presented. For examination purposes, the Examiner has treated the claim as "each of at least two." Appropriate correction is required.

Claim Rejections - 35 USC § 101

4.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5.   Claims 54 – 61 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. In order for a method to be considered a "process" under 35 USC § 101, a

claimed process must either: (1) be tied to another statutory class (such as a particular apparatus) or (2)

transform underlying subject matter (such as an article or materials). *Diamond v. Diehr*, 450 U.S. 175,

184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 53, 70 (1972).

If neither of these requirements is met by the claim, the method is not a patent eligible process under 35

USC § 101 and is non-statutory subject matter. With regard to claim 54, the method claimed by the

Applicant is not tied to another statutory class as it recites the limitations "associating a loss type",

"providing at least one request", "determining one or more loss types", "applying one or more business

rules", and "assessing at least one total fraud potential indicator". The method claimed does not include a

particular machine, nor does it transform the data. The method steps recited in the body of claim 54

could reasonably be interpreted to encompass a human being performing these steps. Claims 55 - 61

have similar deficiencies as noted above with regard to claim 54 and therefore are rejected for

substantially the same reason.

       The above deficiency can be overcome by expressly stating in the body of the claimed method,

using a computer (apparatus) or terminal, for example, which makes the claim useful.

NOTE: The following art rejections assume that the subject matter of claims 54 – 61 will be amended to

recite statutory subject matter. The art rejections are provided herein below for the Applicant's

consideration on the condition that the Applicant properly incorporates a computer (apparatus) or terminal

as discussed above in the rejections under 35 USC 101 in the next communication sent in response to

the present Office Action.

Claim Rejections - 35 USC § 103

6.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness

rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as
> set forth in section 102 of this title, if the differences between the subject matter sought to be
> patented and the prior art are such that the subject matter as a whole would have been obvious
> at the time the invention was made to a person having ordinary skill in the art to which said
> subject matter pertains. Patentability shall not be negatived by the manner in which the invention
> was made.

7.   This application currently names joint inventors. In considering patentability of the claims under

35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly

owned at the time any inventions covered therein were made absent any evidence to the contrary.

Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of

each claim that was not commonly owned at the time a later invention was made in order for the

examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior

art under 35 U.S.C. 103(a).

8.   Claims 1, 4 - 6, 9 – 14, 16 – 21, 24 – 27, 29 – 31, 39 – 42, 45 – 63, 158 - 159, and 161 are

rejected under 35 U.S.C. 103(a) as being unpatentable over Torres, herein after Torres (U.S. Publication

Number 2005/0043961 A1) in view of Pendleton, herein after Pendleton (U.S. Patent Number 6,253,186).

In regard to claim 1 (Currently amended), Torres teaches a method, comprising:

associating a loss type value with each of at two of a plurality loss types, wherein the loss type value

varies by loss type, wherein the loss type values for the loss types are indicative of a potential for fraud

associated with a respective loss type (paragraphs [0019] and [0021]) where Torres discloses automated

data gathering and decision processes. This data is then classified. The Examiner equates this to

gathering loss type data and associating that data with a variable (loss type value) which aids in the

detection of potential fraud, where the loss type data is can be insurance claim data;

providing at least one request data element for at least one request to a computer system

(paragraphs [0021], [0041], and [0042]) where a data set is equated to a data element;

determining one or more loss types for the at least one request, wherein the one or more loss types

for the at least one request are one or more of the plurality of loss types (paragraphs [0021], [0040],

[0041], [0044], [0045], and [0046]) where Torres discloses a loss type which includes falsification of age

and false identity;

assessing at least one total fraud potential indicator (paragraph [0021] where Torres discloses a

composite score which is a combination of the various datasets) for the at least one request based on at

least one of the applied business rules (paragraphs [0021] and [0046]) and at least one of:

a) at least one comparison of the at least one request data element to a datum in a database

(Figure 1 and paragraph [0039]); and

b) at least one comparison of the at least one request data element to at least one fraud model

(paragraph [0020] and [0040]);

wherein the at least one total fraud potential indicator comprises an estimate of a probability of fraud

in the at least one request (paragraphs [0021] and [0042])

Torres fails to explicitly teach a loss type and a method comprising: applying one or more business

rules to the at least one request data element to determine a fraud potential indicator; wherein at least

one of the applied business rules applies a loss type multiplier whose value includes the loss type value

associated with at least one of the one or more determined loss types of the plurality of loss types; and,

wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the loss

types for the at least one request.

Pendleton teaches a method comprising:

applying one or more business rules (column 3, lines 65 – 67 and column 9, lines 35 – 64) to the at

least one request data element to determine a fraud potential indicator (column 2, lines 18 – 31 and

column 7, lines 4 – 59) where Pendleton describes an expert system which is equated to business rules;

wherein at least one of the applied business rules (column 3, lines 65 – 67 and column 9, lines 35 –

64) applies a loss type multiplier whose value includes the loss type value associated with at least one of

the one or more determined loss types of the plurality of loss types (column 2, lines 18 – 31) where the

Examiner interprets multiplier as a predefined number or value; and,

wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the

loss types for the at least one request (column 2, lines 18 – 31 and column 7, lines 4 – 59).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention

was made to include a method comprising: applying one or more business rules to the at least one

request data element to determine a fraud potential indicator; wherein at least one of the applied

business rules applies a loss type multiplier whose value includes the loss type value associated with at

least one of the one or more determined loss types of the plurality of loss types; and, wherein the value of

the loss type multiplier is indicative of a potential for fraud associated with the loss types for the at least

one request as taught by Pendleton, within the method of Torres, with the motivation of providing a

computerized tool to aid in the detection of fraud (column 1, lines 27 – 45).

   In regard to claim 4 (Previously presented), Torres and Pendleton teach the method of claim 1.

   Pendleton further teaches a method wherein the total fraud potential indicator is assigned by adding

together the at least two fraud potential indicators (column 7, lines 8 – 13).

   Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention

was made to include a method wherein the total fraud potential indicator is assigned by adding together

the at least two fraud potential indicators as taught by Pendleton with the motivation of providing a

method, in conjunction with the method taught by Torres, in which a fraud indicator is used to assess the

potential of fraud in a business environment via the use of a computerized system capable of identifying

fraud indicators as compared to indicators in a baseline database (Pendleton: column 2, lines 18 – 25).

   In regard to claim 5 (Previously presented), Torres and Pendleton teach the method of claim 1.

   Pendleton further teaches a method wherein the total fraud potential indicator is assigned by

averaging at least two fraud potential indicators (column 7, lines 25 – 28).

   The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of

claim 4, and incorporated herein.

   In regard to claim 6 (Original), Torres and Pendleton teach a method as per claim 1. Torres further

teaches a method wherein at least one request data element comprises at least one of: a claimant's

name; a witness's name; an insured's name; a medical provider's name; an involved business's name; an

involved business's address; a date of the at least one request; a date of loss; identification of an involved

vehicle; an inception date of a policy; an expiration date of a policy; an address of a party related to the at

least one request; a detail of the loss or an accident leading to the loss; a detail of an accident; a type of

accident; a number of parties involved; a type or degree of property damage; a type or degree of injuries;

a trajectory of vehicles in a vehicle accident; and a location of an accident (Figure 24).

In regard to claim 9 (Original), Torres and Pendleton teach the method of claim 1. Torres further

teaches a method wherein the at least one comparison of at least one request data element to at least

one fraud model comprises determining if at least one request data element approximately matches at

least one fraud model (paragraph [0021]).

In regard to claim 10 (Original), Torres and Pendleton teach the method of claim 1. Torres further

teach a method wherein the at least one comparison of at least one request data element to at least one

fraud model comprises assigning a fraud potential indicator based on the nearness of an approximate

match of a fraud model to at least one request data element (paragraph [0021]).

In regard to claim 11 (Original), Torres and Pendleton teach the method of claim 1. Torres further

teaches a method wherein assessing at least one fraud potential indicator comprises determining if at

least one request data element approximately matches at least one fraud model, and assessing at least

one fraud potential indicator based on which request data element is approximately matched (paragraph

[0021]).

In regard to claim 12 (Original), Torres and Pendleton teach the method of claim 1. Torres further

teaches a method wherein assessing at least one fraud potential indicator comprises determining if at

least one request data element approximately matches at least a portion of a data element in a database

(paragraph [0021]).

In regard to claim 13 (Previously presented), Torres and Pendleton teach the method of claim 1. Torres further teaches a method including a total fraud potential indicator (paragraph [0021]).

Torres fails to teach a method further comprising referring the at least one request for review if at least one total fraud potential indicator exceeds a threshold value.

Pendleton teaches a method further comprising referring the at least one request for review if at least one total fraud potential indicator exceeds a threshold value (column 7, lines 35 – 41).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to claim 14 (Previously presented), Torres teaches the method of claim 13, including a total fraud potential indicator (paragraph [0021]).

Torres fails to teach a method wherein the threshold value is adjusted to control the number of requests with at least one total fraud potential indicator exceeding the threshold value.

Pendleton teaches a method wherein the threshold value is adjusted to control the number of requests with at least one total fraud potential indicator exceeding the threshold value (column 7, lines 41 – 44).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to claim 16 (Original), Torres and Pendleton teach a method as per claim 1. Torres further teaches a method wherein at least one fraud model is based on at least one historical fraud pattern (abstract; paragraphs [0020], [0041], and [0043]).

In regard to claim 17 (Previously presented), Torres and Pendleton teach the method of claim 1. Torres further teaches a method wherein at least one total fraud potential indicator comprises at least one of: a numerical indicator; a ranking; and a pass/fail indicator (paragraphs [0021] and [0043]). Torres teaches a scoring and classification model using various databases.

In regard to 18 (Previously presented), Torres and Pendleton teach the method of claim 1. Torres

further teaches a method wherein assessing the at least one total fraud potential indicator includes

determining an absence of fraud in a request (paragraphs [0021] and [0041]).

In regard to 19 (Original), Torres and Pendleton teach the method of claim 1. Torres further teaches

a method comprising assessing the probability of fraud in at least two requests, wherein the at least two

requests are ranked in order of potential for fraud in each request (paragraph [0043]).

In regard to 20 (Original), Torres and Pendleton teach the method of claim 1.

Pendleton further teaches a method wherein the at least one comparison of at least one request data

element to a datum in a database comprises comparing at least one request data element to a watch list

database, wherein the watch list database comprises at least one specified data element specified by an

entity (column 8, lines 10 – 13).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention

was made to include a method wherein the at least one comparison of at least one request data element

to a datum in a database comprises comparing at least one request data element to a watch list

database, wherein the watch list database comprises at least one specified data element specified by an

entity as taught by Pendleton with the motivation of ensuring any claims submitted are not fraudulent by

analyzing the number of claims submitted within certain time periods (Pendleton: column 1, lines 19 - 22)

and comparing these claims to a database of fraud indicators as taught in the method by Torres

In regard to 21 (Original), Torres and Pendleton teach the method of claim 20.

Pendleton further teaches a method wherein the entity is notified if at least one request data element

matches at least one specified element in the watch list (column 8, lines 10 – 13).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention

was made to include a method wherein the entity is notified if at least one request data element matches

at least one specified element in the watch list as taught by Pendleton with the motivation of providing

information, as taught by the method of Torres, to the pertinent parties regarding the status of specific

claims stored in a fraud indicator database (Pendleton: column 2, lines 33 – 36).

     In regard to 24 (Previously presented), Torres and Pendleton teach the method of claim 1.

     Pendleton further teaches a method wherein a multiplier value for at least one fraud potential

indicator comprises a ranking multiplied by a point weight multiplied by an adjustment number (column 7,

lines 32 – 35).

     Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention

was made to include a method wherein a multiplier value for at least one fraud potential indicator

comprises a ranking multiplied by a point weight multiplied by an adjustment number as taught by

Pendleton with the motivation of generating a fraud indicator value (Pendleton: Figure 7, and column 7,

lines 23 – 25).

     In regard to 25 (Previously presented), Torres and Pendleton teach the method of claim 1. Torres

further teaches a method comprising: reassessing the at least one request data element for the at least

one request (paragraph [0021]); and updating the at least one total fraud potential indicator for the at least

one request based on the reassessment (paragraph [0021]).

     In regard to 26 (Original), Torres and Pendleton teach the method of claim 1. Torres further teaches

a method wherein the database comprises at least one of: an insurance industry database; a commercial

mailbox database; a company historical request database; a special investigation unit database; a

sanctioned medical provider's database; and a custom watch list database (paragraph [0043]).   The

Examiner has interpreted government threat and known threat databases to be custom watch databases.

In regard to 27 (Original), Torres and Pendleton teach the method of claim 1. Torres further teaches a method wherein the at least one fraud model comprises a suspicious relationship between parties involved in an accident (paragraph [0049] and Figure 9).

In regard to claim 29 (Original), Torres and Pendleton teach the method of claim 1. Torres further teaches a method wherein at least one business rule compares a date of report of a loss and a date of the loss (Figure 1, 6A, and 6B; Paragraph [0021]) where Torres discloses a method where a transaction dataset (i.e. report of a loss) is compared to second transaction dataset (i.e. date of loss).

In regard to claim 30 (Original), Torres and Pendleton teach the method of claim 1. Torres further teaches a method wherein at least one business rule compares a date of a reported loss and a date of inception of an insurance policy (Figure 2; Paragraphs [0021] and [0040]) where Torres discloses a method where a transaction dataset (i.e. report of a loss) is compared to second transaction dataset (i.e. date of inception of an insurance policy).

In regard to claim 31 (Original), Torres and Pendleton teach the method of claim 1. Torres further teaches a method wherein at least one business rule compares a date of a reported loss and a date of expiration of an insurance policy (Paragraph [0021]) where Torres discloses a method where a transaction dataset (i.e. report of a loss) is compared to second transaction dataset (i.e. expiration of an insurance policy).

In regard to claim 39 (Previously presented), Torres and Pendleton teach the method of claim 1. Torres further teaches a method wherein assessing at least one total fraud potential indicator is based on an identity verification engine to verify the identification of at least one data request element (paragraphs [0020] and [0021]).

In regard to 40 (Original), Torres and Pendleton teach the method of claim 39. Torres further teaches a method wherein at least one data request element verified includes an insured, a claimant, a doctor, a lawyer, or an involved business (paragraph [0043] and Figure 9).

In regard to 41 (Original), Torres and Pendleton teach the method of claim 39. Torres further teaches a method wherein at least one of a public record and a bill is used to verify the identification of at least one request data element (paragraph [0020]).

In regard to claim 42 (Currently amended), Torres teaches a computer system, comprising:

associate a loss type value with each of at two of a plurality loss types, wherein the loss type value varies by loss type, wherein the loss type values for the loss types are indicative of a potential for fraud associated with a respective loss type (paragraphs [0019] and [0021]) where Torres discloses automated data gathering and decision processes. This data is then classified. The Examiner equates this to gathering loss type data and associating that data with a variable (loss type value) which aids in the detection of potential fraud;

provide at least one request data element for at least one request to the computer system (paragraph [0021]);

determine one or more loss types for the at least one request, wherein the one or more loss types for the at least one request are one or more of the plurality of loss types (paragraphs [0021], [0041], [0044], [0045], and [0046]);

assess at least one total fraud potential indicator (paragraph [0021] where Torres discloses a composite score which is a combination of the various datasets) for the at least one request based on at least one of the applied business rules (paragraph [0021]) and at least one of:

a) at least one comparison of the at least one request data element to data in a database (Figure 1 and paragraph [0020]); and

b) at least one comparison of the at least one request data element to at least one fraud model (paragraph [0020]);

wherein the at least one total fraud potential indicator comprises an estimate of a probability of fraud in a request (paragraphs [0021] and [0042]).

Torres fails to teach a loss type and a computer system comprising: a CPU; and a memory coupled to the CPU, wherein the memory is configured to store at least one computer program executable by the CPU, and wherein at least one computer program is executable to: apply one or more business rules to the at least one request data element to determine a fraud potential indicator; wherein at least one of the else-business rules applies a loss type multiplier whose value includes the loss type value associated with at least one of the one or more determined loss types of the plurality of loss types; wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the loss types for the at least one request.

Pendleton teaches a computer system comprising: a CPU (Figure 24); and a memory coupled to the CPU (Figure 24), wherein the memory is configured to store at least one computer program executable by the CPU (Figure 24 and column 13, lines 50 – 56) , and wherein at least one computer program is executable to:

apply one or more business rules (column 3, lines 65 – 67 and column 9, lines 35 – 64) to the at least one request data element to determine a fraud potential indicator (column 2, lines 18 – 31 and column 7, lines 4 – 59) where Pendleton describes an expert system which is equated to business rules;

wherein at least one of the business rules (column 3, lines 65 – 67 and column 9, lines 35 – 64) applies a loss type multiplier whose value includes the loss type value associated with at least one of the one or more determined loss types of the plurality of loss types (column 2, lines 18 – 31) where the Examiner interprets a multiplier as a predefined number or value;

wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the loss types for the at least one request (column 2, lines 18 – 31 and column 7, lines 4 – 59).

The motivation to combine the teachings of Pendleton and Torres is discussed in the rejection of claim 1, and incorporated herein.

In regard to 45 (Original), Torres and Pendleton teach the system of claim 42. Torres further teaches a system wherein at least one comparison of the at least one request data element to the at least one fraud model comprises determining if the at least one request data element approximately matches the at least one fraud model (paragraph [0021]).

In regard to 46 (Previously presented), Torres and Pendleton teach the system of claim 42. Torres further teaches a system wherein assessing the at least one total fraud potential indicator comprises determining if the at least one request data element approximately matches at least a portion of a data element in a database (paragraph [0021]).

In regard to 47 (Previously presented), Torres and Pendleton teach the system of claim 42. Torres further teaches a system including a total fraud potential indicator (paragraph [0021]).

Torres fails to teach a system wherein the computer program is further executable to refer the at least one request for review if at least one total fraud potential indicator exceeds a threshold value.

Pendleton teaches a system wherein the computer program is further executable to refer the at least one request for review if at least one total fraud potential indicator exceeds a threshold value (column 7, lines 41 – 44 and lines 50 – 53).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to claim 48 (Currently amended), Torres teaches a computer readable medium comprising program instructions, wherein the program instructions are computer-executable to implement a method comprising:

associating a loss type value with each of at two of a plurality loss types wherein the loss type value varies by loss type wherein the loss type values for the loss types are indicative of a potential for fraud associated with a respective loss type (paragraphs [0019] and [0021]) where Torres discloses automated data gathering and decision processes. This data is then classified. The Examiner equates this to

gathering loss type data and associating that data with a variable (loss type value) which aids in the detection of potential fraud;

providing at least one request data element for at least one request to a computer system (paragraph [0021]);

assessing at least one fraud total potential indicator (paragraph [0021]) for the at least one request based on at least one of the applied business rules (paragraph [0021]) and at least one of:

a) at least one comparison of the at least one request data element to data in a database (Figure 1 and paragraph [0020]); and

b) at least one comparison of the at least one request data element to at least one fraud model (paragraph [0020]);

wherein the at least one total fraud potential indicator comprises an estimate of a probability of fraud in the at least one request (paragraph [0021] and [0042]).

Torres fails to teach a loss type and a computer readable medium comprising: applying one or more business rules to the at least one request data element <u>to determine a fraud potential indicator</u>; wherein at least of the one business rules applies a loss type multiplier <u>whose value includes the loss type value associated with at least one of the one or more determined loss types of the plurality of loss types;</u> <u>wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the loss types for the at least one request.</u>

Pendleton teaches a computer readable medium comprising:

applying one or more business rules (column 3, lines 65 – 67 and column 9, lines 35 – 64) to the at least one request data element <u>to determine a fraud potential indicator</u> (column 2, lines 18 – 31 and column 7, lines 4 – 59) where Pendleton describes an expert system which is equated to business rules;

wherein at least one of the one business rules (column 3, lines 65 – 67 and column 9, lines 35 – 64) applies a loss type multiplier <u>whose value includes the loss type value associated with at least one of the one or more determined loss types of the plurality of loss types</u> (column 2, lines 18 – 31) where the Examiner interprets a multiplier as a predefined number or value;

wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the loss types for the at least one request (column 2, lines 18 – 31 and column 7, lines 4 – 59).

The motivation to combine the teachings of Pendleton and Torres is discussed in the rejection of claim 1, and incorporated herein.

In regard to 49 (Previously presented), Torres and Pendleton teaches the computer readable medium of claim 48. Torres further teaches a computer readable medium wherein the at least one request comprises at least one of: a check; an insurance claim; and a loan (paragraph [0042]).

In regard to 50 (Previously presented), Torres and Pendleton teach the computer readable medium of claim 48. Torres further teaches a computer readable medium comprising assessing a total fraud potential indicator of at least one request from at least two fraud potential indicators (paragraph [0021]). Torres disclosed the claimed invention with the exception of "two fraud potential indicators". It would have been obvious to one having ordinary skill in the art at the time the invention was made to use two fraud potential indicators, since it has been held that mere duplication of the essential working parts of a device involves only routine skill in the art. *St Regis Paper Co. v. Bemis Co.,* 193 USPQ 8.

In regard to 51 (Previously presented), Torres and Pendleton teach the computer readable medium of claim 48. Torres further teaches a computer readable medium wherein at least one comparison of the at least one request data element to the at least one fraud model comprises determining if the at least one request data element approximately matches the at least one fraud model (paragraph [0021]).

In regard to 52 (Previously presented), Torres and Pendleton teach the computer readable medium of claim 48. Torres further teaches a computer readable medium wherein assessing at least one second fraud potential indicator comprises determining if the at least one request data element approximately matches at least a portion of a data element in a database (paragraph [0021]).

In regard to 53 (Previously presented), Torres and Pendleton teach the computer readable medium of claim 48.

Pendleton further teaches a computer readable medium comprising referring the at least one request for further review if at least one fraud potential indicator exceeds a threshold value (column 7, lines 41 – 44 and lines 50 – 53).

The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 4, and incorporated herein.

In regard to claim 54 (Currently amended), Torres teaches a method, comprising:

associating a loss type value with each of at two of a plurality loss types, wherein the loss type value varies by loss type, wherein the loss type values for the loss types are indicative of a potential for fraud associated with a respective loss type (paragraphs [0019] and [0021]) where Torres discloses automated data gathering and decision processes. This data is then classified. The Examiner equates this to gathering loss type data and associating that data with a variable (loss type value) which aids in the detection of potential fraud;

determining one or more loss types for at least one request relating to one or more of a plurality of insurance claims, wherein the one or more loss types for the at least one request are one or more of the plurality of loss types (paragraphs [0021], [0041], [0044], [0045], and [0046]); and,

assessing at least one fraud potential indicator for the plurality of insurance claims using at least one fraud potential detection technique (paragraph [0042]); and

Torres fails to teach a loss type and a method comprising: applying one or more business rules to the at least one request relating to one or more of a plurality of insurance claims to determine a fraud potential indicator; wherein at least one of the business rules applies a loss type multiplier whose value includes the loss type value associated with at least one of the one or more determined loss types of the plurality of loss types; wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the loss types for the at least one request; and, defining a minimum referral fraud potential indicator such that a desired quantity of requests are referred.

Pendleton teaches a method comprising:

applying one or more business rules (column 3, lines 65 – 67 and column 9, lines 35 – 64) to the at least one request relating to one or more of a plurality of insurance claims to determine a fraud potential indicator (column 2, lines 18 – 31 and column 7, lines 4 – 59) where Pendleton describes an expert system which is equated to business rules;

wherein at least one of the business rules (column 3, lines 65 – 67 and column 9, lines 35 – 64) applies a loss type multiplier whose value includes the loss type value associated with at least one of the one or more determined loss types of the plurality of loss types (column 2, lines 18 – 31) where the Examiner interprets multiplier as a predetermined number or value;

wherein the value of the loss type multiplier is indicative of a potential for fraud associated with the loss types for the at least one request (column 2, lines 18 - 31 and column 7, lines 4 - 59);

defining a minimum referral fraud potential indicator such that a desired quantity of requests are referred (column 2, lines 26 - 31).

The motivation to combine the teachings of Pendleton and Torres is discussed in the rejection of claim 1, and incorporated herein.

In regard to 55 (Original), Torres and Pendleton teach the method of claim 54.

Pendleton further teaches a method further comprising modifying a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referrals for further review (column 2, lines 37 – 48).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method further comprising modifying a minimum referral fraud potential indicator for at least two fraud potential detection techniques using at least two fraud potential indicators from at least one fraud potential detection technique to obtain a selected quantity of referrals for further review as taught by Pendleton, and applied to the method of Torres, with the motivation of notifying or reporting

claims which have been analyzed using fraud potential indicators to indicate the potential to commit an

act of fraud and further claim review is required (column 8, lines 19 – 31).

   In regard to 56 (Original), Torres and Pendleton teach the method of claim 54.

   Pendleton further teaches a method wherein the minimum referral fraud potential indicator comprises

a fraud potential indicator that results in a referral of at least one request for further review (column 8,

lines 19 – 31).

   The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of

claim 55, and incorporated herein.

   In regard to 57 (Original), Torres and Pendleton teach the method of claim 54. Torres further teaches

a method wherein at least one fraud potential detection technique comprises predictive modeling

(paragraph [0044]).

   In regard to 58 (Original), Torres and Pendleton teach the method of claim 54. Torres further teaches

a method wherein at least one fraud potential detection technique comprises predictive modeling, and

wherein assessing a probability of fraud using predictive modeling comprises assessing at least one fraud

potential indicator based on at least one comparison of at least one request data element to at least one

fraud model (paragraph [0021]).

   In regard to 59 (Original), Torres and Pendleton teach the method of claim 54. Torres further teaches

a method wherein at least one fraud potential detection technique comprises identity searching

(paragraph [0022]).

   In regard to 60 (Original), Torres and Pendleton teaches the method of claim 54. Torres further

teaches a method wherein at least one fraud potential detection technique comprises identity searching of

insurance data, and wherein assessing the probability of fraud using identity search of insurance data

comprises assessing at least one fraud potential indicator based on at least one comparison of at least one request data element to additional insurance data (paragraph [0040]).

System claim 62 and computer readable medium claim 64 repeat the subject matter of method claim 54, respectively. As the underlying processes of claim 54 have been shown to be fully disclosed by the teachings of Torres and Pendleton in the above rejection of claim 54. As such, these limitations (claims 62 and 64) are rejected for the same reasons given above for method claim 54 and incorporated herein.

In regard to 61 (Original), Torres and Pendleton teach the method of claim 54. Torres further teaches a method wherein at least one fraud potential detection technique comprises assessing request data for fraud from at least one business rule (paragraph [0021]).

System claim 63 and computer readable medium claim 65 repeat the subject matter of method claim 55, respectively. As the underlying processes of claim 55 have been shown to be fully disclosed by the teachings of Torres and Pendleton in the above rejection of claim 55. As such, these limitations (claims 63 and 65) are rejected for the same reasons given above for method claim 55 and incorporated herein.

In regard to claim 158 (Currently amended), Torres and Pendleton teach the method of claim 1. Torres further teaches a method wherein the value of the loss type multiplier is more indicative of a potential for fraud for requests that are more unusual or difficult to verify and less indicative of a potential for fraud for requests that are less unusual or difficult to verify (paragraphs [0022] and [0043]; claims 1, 3, and 9) where Torres discloses verification of data sets and assigning a score based on risk.

In regard to claim 159 (Previously presented), Torres and Pendleton teach the method of claim 1.
Pendleton further teaches a method wherein the loss type multiplier comprises the sum of loss type multiplier for two or more loss types associated with the at least one request (Figure 7 - Composite Fraud

Indication and Figure 14; column 2, lines 18 – 26) where Pendleton discloses computing a composite of fraud indicators.

    The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

    In regard to claim 161 (Previously presented), Torres and Pendleton teach the method of claim 1.

    Pendleton teaches a method wherein applying at least one loss type multiplier comprises multiplying at least one loss type value by a number of matches for the request (Figure 20; column 5, line 33 through column 6, line 3).

    The motivation to combine the teachings of Torres and Pendleton is discussed in the rejection of claim 1, and incorporated herein.

9.   Claims 28, 160, and 162 – 164 are rejected under 35 U.S.C. 103(a) as being unpatentable over Torres (U.S. Publication Number 2005/0043961) in view of Pendleton (U.S. Patent Number 6,253,186) as applied to claim 1 above, and further in view of Forman (U.S. Patent Number 6,826,536).

    In regard to claims 28 (Original), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method wherein at least one business rule is used to assess a probability of fraud based on the details of an accident.

    Forman teaches a method wherein at least one business rule is used to assess a probability of fraud based on the details of an accident (column 12, lines 47 – 65 and column 14, lines 58 – 67) where Forman discloses a fraud indicator trigger which analyzes the insurance claims based upon injuries received as a result of an accident, as well as treatment by the same physician.

    Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method wherein at least one business rule is used to assess a probability of fraud based on the details of an accident as taught by Forman, within the method of Torres and Pendleton, with

the motivation of providing a tool which triggers the probability of the submission of a false or fraudulent claim (column 4, lines 57 – 64).

In regard to claim 160 (Previously presented), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method wherein the loss type multiplier comprises at the least negative value wherein the negative value is associated with a contra-indication of fraud for a loss type associated with the at least one request.

Forman teaches a method wherein the loss type multiplier comprises at the least negative value wherein the negative value is associated with a contra-indication of fraud for a loss type associated with the at least one request (column 14, lines 24 – 32) where Forman teaches a fraud trigger flag which indicates increased risk. A negative value is interpreted as a pre-determined value to determine the probability of fraud.

The motivation to combine the teachings of Forman, Torres and Pendleton is discussed in the rejection of claim 28, and incorporated herein.

In regard to claim 162 (Previously presented), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method further comprising applying one or more business rules to the at least one request data element; wherein at least of the one business rules applies an injury type multiplier based on at least one injury type associated with the at least one request to determine a fraud potential indicator, wherein the value of the injury type multiplier depends on a tendency for fraud associated with at least one injury type associated with the at least one request.

Forman teaches a method further comprising applying one or more business rules to the at least one request data element; wherein at least of the one business rules applies an injury type multiplier based on at least one injury type associated with the at least one request to determine a fraud potential indicator, wherein the value of the injury type multiplier depends on a tendency for fraud associated with at least one injury type associated with the at least one request (column 10, lines 33 – 38) where Forman teaches a fraud trigger that examines multiple claims, such as injuries, diagnosed by a specific provider.

The motivation to combine the teachings of Forman, Torres and Pendleton is discussed in the rejection of claim 28, and incorporated herein.

In regard to claim 163 (Currently Amended), Torres and Pendleton teach the method of claim 162. Torres and Pendleton fail to teach a method wherein the injury type multiplier comprises the sum of injury type multipliers for two or more injury types associated with the at least one request.

Forman teaches a method wherein the injury type multiplier comprises the sum of injury type multipliers for two or more injury types associated with the at least one request (column 10, lines 16 – 38).

The motivation to combine the teachings of Forman, Torres and Pendleton is discussed in the rejection of claim 28, and incorporated herein.

In regard to claim 164 (Currently Amended), Torres and Pendleton teach the method of claim 162. Torres and Pendleton fail to teach a method wherein the injury type multiplier comprises at least one negative value, wherein the negative value is associated with a contra-indication of fraud for an injury type associated with the at least one request.

Forman teaches a method wherein the injury type multiplier comprises at least one negative value, wherein the negative value is associated with a contra-indication of fraud for an injury type associated with the at least one request (column 14, lines 24 – 32).

The motivation to combine the teachings of Forman, Torres and Pendleton is discussed in the rejection of claim 28, and incorporated herein.

10.   Claim 165 is rejected under 35 U.S.C. 103(a) as being unpatentable over Torres (U.S. Publication Number 2005/0043961) and Pendleton (U.S. Patent Number 6,253,186), and further in view of White et al., herein after White (U.S. Publication Number 2002/0091550).

In regard to claim 165 (New), Torres and Pendleton teach the method of claim 1. Torres and Pendleton fail to teach a method wherein each of at least two of the plurality of loss types of the plurality of loss types corresponds to a type of vehicle collision.

White teaches a method wherein each of at least two of the plurality of loss types of the plurality of loss types corresponds to a type of vehicle collision (Figure 2; Paragraphs [0037], [0038], [0044], and [0045]).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a method wherein each of at least two of the plurality of loss types of the plurality of loss types corresponds to a type of vehicle collision as taught by White, within the method of Torres and Pendleton, with the motivation of providing accurate information such as prior vehicle alterations and fraud convictions for verification of data for insurance coverage (paragraphs [0107] and [0116]).

Response to Arguments

1.   Applicant's arguments filed December 1, 2008 have been fully considered but they are not persuasive. Applicant's arguments will be addressed herein below in the order in which they appear in the response filed December 1, 2008.

In response to the Applicant's argument, it is respectfully submitted that the Examiner has applied new passages and new citations to the amended claims. The Examiner notes that the amended limitations were not in the previously pending claims; as such, Applicant's remarks with the regard to the application of Torres and Pendleton are addressed in the above Office Action. In addition, in response to the new claim, it is respectfully submitted that the Examiner has applied new prior art to the claim.

Conclusion

11.   The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Beverina et al. (U.S. Publication Number 2001/0027388 A1) discloses a method and apparatus for risk management.

- Freedman et al. (U.S. Publication Number 2002/0002475 A1) discloses an automated insurance system and method.

- Bernaski et al. (U.S. Patent Number 7,398,218) discloses an insurance pattern analysis.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to KRISTINE K. RAPILLO whose telephone number is (571)270-3325. The examiner can normally be reached on Monday to Thursday 6:30 am to 4 pm Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Luke Gilligan can be reached on 571-272-6770. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

KKR

/C Luke Gilligan/
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